

**City of Detroit Water and Sewerage Department**

**BOARD OF WATER COMMISSIONER INPUT**

**Regarding Organizational Metrics for Employment Agreement of Director**

**BOARD MEMBER:**

(Please print your name above)

**1. Ranking of Performance Measures**

Each Board Member is requested to indicate which, of these metrics are most important in terms of the direction for the utility. Each of you are asked to:

- Identify a minimum of 4 and a maximum of 10 of the following metrics which you believe are important aspirational goals for the Director to pursue in alignment with the Board.
- Assign the number 1 to the metric that is most important to you in the “priority” column, the number 2 to the second most important metric, and continue in the fashion until you have selected 4-10 metrics. You do not need to prioritize all metrics.

**2. Performance Measure Cohesion**

It is important for any organization to align and focus its efforts on mission critical strategic goals. Metrics may become no longer relevant, necessary or aligned with the direction of the organization. If you feel a metric can be deleted, please indicate that by marking an “X” in the delete column.

**3. Additional Metrics**

Other metrics may be added. If you wish to add a metric, please indicate in the Section marked “New Metrics”. Space on this form allows up to 4 new metrics, however you may add even more metrics on a separate page if you desire. Maximum number of metrics is 10.

**4. Return Date**

Please return the completed form to [garnierjamisonl@detroitmi.gov](mailto:garnierjamisonl@detroitmi.gov) by the close of business on Wednesday, August 8, 2017.

**5. Next Steps**

Once the proposed metrics have been received from all of you, the results will be tabulated and advise the Board.

## CONTRACT METRICS REVIEW

| Metric  | Priority | Delete |
|---|----------|--------|
| <b><u>Organizational Leadership</u></b>   |          |        |
| 1. Ensure compliance with the water and sewer lease agreements and the related service agreement signed on June 12, 2015 and as amended.  |          |        |
| 2. Establish and maintain positive working relationships with the DWSD Board, elected officials, and utility leaders. Effectively communicate information on initiatives and costs relating thereto, regulatory compliance, labor relations community and customer service efforts and other programmatic matters as appropriate. Regularly communicate with DWSD Board Members and the community.                |          |        |
| 3. Promptly respond to the concerns of DWSD Board members,  |          |        |
| 4. Establish, direct, and guide an Executive Leadership Team that is effective in organizing, managing and developing different functions of a complex organization.  |          |        |
| <b><u>General Governance</u></b>  |          |        |
| 5. Support DWSD with information in a timely manner and facilitate development of appropriate board policies.   |          |        |
| <b><u>Financial Management</u></b>  |          |        |
| 6. Guide, support and ensure DWSD Board engagement in budget, Capital Improvement Plan (CIP) and rate setting processes. Present a 5-year CIP and 2-year operating budget with revenue requirements per the water and sewer lease and service agreements.   |          |        |
| 7. Oversee the development of financial statement and accounting structures for DWSD to facilitate effective utility operations, capital development and debt management towards credit positive outcomes.  |          |        |
| 8. Identify and bring before the DWSD Board timely remedial measures and corrective fiscal notes to be implemented in the event of ‘favorable’ and/ or ‘unfavorable budgetary variances as required in the water and sewer-service agreement signed June 12, 2015 and as amended.   |          |        |
| 9. Regularly monitor, fully implement, and report back to the Board on compliance issues involving the water and sewer lease and service agreements, Shared Services agreement, pension agreement, contractor compliance, budget requirements, reserve fund, and promptly notify board of the status of the remedial actions taken on all outstanding issues.   |          |        |
| 10. Continue to refine the water rate methodology with a goal of a more simplified approach that will be transparent and equitable as well as position the utility to further improve the economy of scale opportunities for all customers through marketing. Engage customers in development of methodology changes and keep the Board advised of options under discussion and potential cost allocation shifts. |          |        |
| 11. Assess and recommend options for enhancement of water and sewer capital program management related to (1) project identification (informed by asset management), specification and prioritization; (2) project costing and financial management; and (3) life-cycle project management (including risk management). Provide an implementation timeline for the enhancements.                                  |          |        |
| 12. Provide an estimate of projected CIP cost savings to be realized from enhanced CIP.   |          |        |

|   |     |     |
|---|-----|-----|
| <b>Regulatory Compliance</b>  |     |     |
| 13. Prioritize full compliance with applicable regulatory requirements for water, wastewater and stormwater system operations and reduce current level of overflow.   |     |     |
| 14. Provide for complete and timely reporting of regulatory performance.  |     |     |
| 15. Ensure reporting and remedial measure plans are in place and staff is trained for execution, in the event of permit excursions or other system upsets.  |     |     |
| 16. Facilitate planning for continuing compliance under the revised organizational structure. Provide leadership for revision of applicable permits to reflect the institutional restructure.   |     |     |
| 17. Prepare a work plan toward maintaining the EPA affordability waiver beyond FY-2022 and develop actions to address compliance with the EPA in the interim period with appropriate budget appropriations.   |     |     |
| <b>Workforce Development</b>  |     |     |
| 18. Regularly communicate with DWSD employees and keep them informed and involved in DWSD operations and continued key optimization efforts.  |     |     |
| 19. Create a comprehensive training program for all management, technical and other staff necessary to ensure that they are fully trained in their current duties and aware of opportunities that contribute to continuous operational improvements.  |     |     |
| 20. Encourage active involvement in regional and statewide professional organizations by managerial and technical staff.  |     |     |
| <b>Operations Optimization Initiatives</b>  |     |     |
| 21. Develop and implement a program to track savings.   |     |     |
| 22. Guide revisions to ongoing optimization initiatives.  |     |     |
| 23. Support the development of a robust internet website that is currently maintained for ease of use by customers and the general public at large. The guiding principle should be transparency of the DWSD operations and ease of use by customers.   |     |     |
| <b>Stakeholder and Other Relations</b>  |     |     |
| 24. Provide for leadership interactions with all stakeholders interested in and impacted by DWSD.   |     |     |
| 25. Ensure that the DWSD Board is fully aware of pending state or federal government legislation that might impact the operating and capital programs, provide input as appropriate in the legislation and implement any provisions of legislation passed by the state or federal government. |     |     |
| 26. Enhance the reputation of the DWSD in the community and develop mechanisms to further improve customer satisfaction.  |     |     |
| <b>ADDITIONAL METRICS</b>   |     |     |
| 1.  | N/A | N/A |
| 2.  | N/A | N/A |
| 3.  | N/A | N/A |
| 4.  | N/A | N/A |

## Put health and safety first

| KPI: What's true on 6.30.18?   | Metric Owner(s)        | To produce outcome, what outcomes or activities need to be covered in other top team members' OPPs?   |
|--|------------------------|---|
| <b>Successful pilot of lead service line replacement.</b><br>We've completed PLSLR to at least 600 households (and identified implications for FLSLR).   | Palencia and Sam       | <ul style="list-style-type: none"> <li>Get the legal authority (Debbie) Find funding sources (Tom/Debbie)</li> <li>Approved policy from BOWC and buy in from City Council and the Mayor (Debbie/Sam)</li> <li>Identify and obtain partial third-party funding support (Sam)</li> </ul>  |
| We've reduced water-in-basement complaints by 10 percent.<br><i>[Palencia will validate]</i>   | Palencia and Sam       | <ul style="list-style-type: none"> <li>XX linear feet of sewer cleaned / inspected (Palencia)</li> <li>XX linear feet of sewer rehabbed (Palencia)</li> <li>XX manholes inspected (Palencia)</li> <li>XX catch basins cleaned / inspected (Palencia)</li> <li>XX catch basins repaired (Palencia)</li> <li>XX catch basins, manholes correctly located in GIS (Palencia)</li> <li>Review annual (August) basement backup data to coordinate and install green infrastructure (Palencia and Lisa)</li> </ul> |
| We have in place relevant, reliable employee safety metrics, accurate baseline measures, and capability to set targets and meet them in FY19.*<br><i>[Debbie, Lydia, Danise, and Jeff will validate]</i> | Lydia and Danise Allen | <p><b>KPI changed: Need to review and validate this column with Lydia and Debbie</b></p> <ul style="list-style-type: none"> <li>Update policies and manuals for safety with employee sign-off</li> <li>Update of recordkeeping for compliance with internal and external review</li> <li>Immediate assessment of training needs</li> <li>Monthly meetings for review/resolution/maintenance, and collaboration of facility staff and safety staff</li> </ul>  |
| At least half of employees have participated in a wellness initiative in FY18.   | Lydia                  | <ul style="list-style-type: none"> <li>Immediate assessment of DWSD needs, including review of data from CAYMAC</li> <li>Prioritize DWSD needs; and, target populations accordingly</li> </ul>  |

\* Indicates a "build" - rather than a "run"-based KPI. The former is about activities to build capability now so that in the future we can run the department at a high level of performance (as measured by outcome-based metrics). We expect to convert most or all of our FY18 "build"-based KPIs into "run"-based KPIs in FY19.

## DWSD Strategic Priority 2:

**Strengthen our assets (including our people, infrastructure, and reputation)**

| KPI: What's true on 6.30.18?  | Metric Owner(s) | To produce outcome, what outcomes or activities need to be covered in other top team members' OPPS?  |
|---|-----------------|--|
| <i>People: 95%+ of teams at all levels regularly (at least 1x/month) review progress against an aligned OPP).</i>   | Debbie          |  |
| <i>People: We've created a pipeline of Detroiters for jobs in water and sewer.*</i><br>[Lydia and Debbie will validate]   | Lydia           | <p>KPI changed: Need to review and validate this column with Debbie and Lydia</p> <ul style="list-style-type: none"> <li>• Use Detroit Training Center's weekly Job Fair to assist with finding applicants. (Kieyona/Lydia)</li> <li>• Create training programs to qualify potential applicants (check for residency and adapt training). (Lydia)</li> </ul> |
| <i>People: We have in place the ability to (1) reliably track whether employees have the needed training; and (2) deliver the needed training.*</i><br>[Lydia and Debbie will validate] | Lydia           | <p>KPI changed: Need to review and validate this column with Debbie and Lydia</p>  |
| <i>Infrastructure: We've completed 40 miles of water main replacement work.</i>   | Palencia        |  |
| <i>Infrastructure: We've completed 40 miles of sewer rehab.</i>   | Palencia        | <ul style="list-style-type: none"> <li>• Design / construction (Mohammad)</li> <li>• Review data on abandoned infrastructure and then determine what, if any, opportunity exists to use to manage stormwater (Mohamad and Lisa)</li> <li>• Planning and asset management (Sam)</li> <li>• Identify problem areas (Kieyona)</li> </ul>                        |
| <i>Infrastructure: We've inspected (and repaired as needed) 10,000 catch basins.</i>  | Palencia        | <ul style="list-style-type: none"> <li>• Operate 8 vaults daily- 6 on planned maintenance routes (sewers cleaned/lined in the last 5 years), 2 for unplanned/complaint based work</li> <li>• Assign DW/S-903 contractor areas fby Engineering</li> </ul>   |
| <i>Reputation: We've earned 36 positive stories in FY18.</i>  | Bryan           | <ul style="list-style-type: none"> <li>• Launch DWSD Cares campaign (Bryan)</li> <li>• Collaborate with team leaders and other staff to find the "good news" stories</li> <li>• Hold at least four meetings per month with reporters, editors, producers</li> </ul>  |

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| KPI: What's true on 6.30.18?  | Metric Owner(s) | To produce outcome, what outcomes or activities need to be covered in other top team members' OPPs?  |
|---|-----------------|--|
| <i>Reputation:</i> At least 80 percent of active employees participate in at least one organized volunteer event. | Lydia           | <ul style="list-style-type: none"><li>• Hold at least two volunteer events and track employees who attend (account for our present FMLA and Workers' Comp population). (Lydia)</li></ul> |

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DWSD Strategic Priority 3:  
**Enhance the customer experience**

| KPI: What's true on 6.30.18?   | Metric Owner(s) | To produce outcome, what outcomes or activities need to be covered in other top team members' OPPs?   |
|--|-----------------|---|
| We've reduced repeat calls by 20 percent.<br>[Validate with Rob and Marc]  | Marc / Rob      | <p>KPI changed: Need to review and validate this column with Rob and Marc</p> <ul style="list-style-type: none"> <li>Training reps on problem-solving.</li> <li>Fully implement QA/QC and Workforce Management Processes. (Marc)</li> <li>Work with billing group to establish an acceptable cadence procedure is implemented for shutoff. (Marc/Brian)</li> </ul>                            |
| 10 Community Liaisons are trained and actively working in the community.*  | Marc and Bryan  | <ul style="list-style-type: none"> <li>Train volunteer CSSS to work with the DONs to disseminate information, review and prequalify individuals for assistant programs (WRAP). (Marc)</li> <li>Obtain DONs scheduled community and precinct meetings. (Marc)</li> <li>Kickoff 3-month pilot program. (Marc)</li> <li>Train volunteers in public speaking and presentations. (Marc)</li> </ul> |
| We've developed and begun to implement a restoration plan.*  | Palencia        | <p>KPI changed: Palencia will update this column</p>  |
| We've revamped our Customer Service Centers*<br>• Closed downtown customer service center by April 2018<br>• Created plan for a Southwest Detroit customer service center<br>• Moved Westside customer service center into the Northwest activity center;<br>• Created plan for a full-service customer service center on the East side.<br>[Validate with Gary and Rob] | Marc            | <p>KPI changed: Need to review and validate this column with Gary and Rob</p> <ul style="list-style-type: none"> <li>Execute on communication plan for "Skip The Line" portal.</li> <li>Move "shut off" and "turn on" requests to customer service portal. (Marc)</li> </ul>  |

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## DWSD Strategic Priority 4:

**Keep rates fair and affordable**

| KPI: What's true on 6.30.18?   | Metric Owner(s)     | To produce outcome, what outcomes or activities need to be covered in other top team members' OPPs?  |
|--|---------------------|--|
| We've added and are using five new tools in our collections toolbox.*  | Rob, Debbie, Brian  | <p><b>KPI changed:</b> Need to review and validate this column with Rob</p> <ul style="list-style-type: none"> <li>Use credit agency for collections (Rob)</li> <li>Legal to file Civil and Criminal Cases (Deb)</li> <li>Investment in collections dig up crew (Resources and Equipment) (Finance)</li> <li>Fraud team creation and execution (Sid)</li> <li>New report creation (Dan)</li> </ul>   |
| We've moved all customers to transitional rates and have a comprehensive plan in place to manage the disruption.*      | Lisa, Tom           | <p><b>KPI changed:</b> Need to review and validate this column with Lisa and Tom</p> <ul style="list-style-type: none"> <li>Update the database with impervious flyover data (Lisa)</li> <li>Provide customer service for adjustments (Lisa)</li> <li>Update the database with assessor's parcel data (Lisa)</li> <li>Continue public outreach (Lisa and Bryan)</li> <li>Ensure billing system data integrity through the annual data refresh process (Dan and Brian)</li> </ul> |
| We're processing all (complete) green credit applications within 60 days.  | Lisa                | <p><b>KPI changed:</b> Need to review and validate this column with Lisa</p> <ul style="list-style-type: none"> <li>Roll out program in October, review applications quarterly, and approved applicants receive finding the following quarter. (Lisa)</li> </ul>   |
| We've reduced by 5% Detroit's non-revenue water metric.<br>[Review with Palencia and Anil]                             | Palencia, Sam, Anil | <ul style="list-style-type: none"> <li>Establish non-revenue water metric (GLWA and Anil)</li> <li>Replace 50 miles of water main per year (Palencia)</li> <li>Leak detection and follow through on repairs (Kieyona)</li> </ul>   |
| We've fully evaluated the feasibility of the recommendations of the Blue Ribbon Panel and implemented those that are.* | Marc                | <p><b>KPI changed:</b> Need to review and validate this column with Marc</p> <ul style="list-style-type: none"> <li>Create a permanent program for water payment assistance. (Tom/Bryan)</li> <li>Train DWSD Community Liaisons to work with DON districts on dissemination to the community. (Marc)</li> <li>Train CSSs to review, identify, and pre-qualify individuals for WRAP services. (Marc)</li> </ul>   |

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DWSD Strategic Priority 5:  
**Make Detroit Green**

| KPI: What's true on 6.30.18?   | Metric Owner(s) | To produce outcome, what outcomes or activities need to be covered in other top team members' OPPs?   |
|--|-----------------|---|
| We've implemented publicly- and privately-funded GSI capable of managing 400 acres of impervious surface per year. | Palencia        | <p>[Palencia will validate this column to ensure 400 acres accounted for]</p> <ul style="list-style-type: none"> <li>• All storm water management ordinances, policies, and procedures are implemented (Debbie and Lisa)</li> <li>• Stand up the Stormwater Management Group (Lisa)</li> <li>• XX number of customers provided with technical assistance</li> <li>• 200 acres managed by DWSD constructed GSI (Lisa)</li> <li>• 100 acres managed by customer constructed GSI, through the promotion of green credits (Lisa)</li> <li>• Develop plan to convey and treat stormwater within areas identified as Strategic Open Space within the City (Lisa)</li> <li>• Identify existing trunk sewers that may be used to manage stormwater only...Year 2 development of plan to implement use (Lisa)</li> <li>• Capital assistance awarded to customers (Lisa)</li> </ul> |

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